Chapter - I

INTRODUCTION
1.1. Introduction

After Independence, Community Development Programmes and National Extension Programmes were launched in India in 1952 and 1953 respectively for the development of rural areas. But the programmes failed to achieve their objectives mainly because of lack of public participation which is considered as one of the crucial variables in the achievement of development goals. It is felt that no amount of money spent on rural development by the government can do for the people than what people can do themselves.

People who are expected to be benefited by the development must be involved and they must themselves take up the responsibility for achieving development. Balwantrai Mehta Study Team realizing the importance of popular participation and recommended the creation of Panchayati Raj Institutions which are to be statutory, elective, comprehensive in duties and functions, equipped with necessary executive machinery with adequate resources and enough autonomy and freedom.

The creation of Panchayati Raj in 1959, with a view to entrusting the authority and responsibility of rural development to rural people, is considered not only an innovation, but also a revolution. The team made an exhaustive enquiry and submitted its report on November 24, 1957. To democratize the local institutions, the team suggested a three-tier system of Rural Local Government with Gram Panchayati at the bottom, Panchayati samithi at the middle and Zilla Parishad at the top.
Rajasthan and Andhra Pradesh were the two early advocates of the Panchayati Raj system in India. The Government of Andhra Pradesh acted swiftly in accepting the recommendation of the Balwantrai Mehta Team and enacted legislation in 1959 to introduce the three-tier structure of Panchayati Raj in the State with Zilla Parishad at the top, the Panchayati Samithi in the middle and the Gram Panchayat at the top. Although later on, a few changes have been made in the organization, the framework has essentially remained the same.

The Panchayati Raj of today in Andhra Pradesh is based on Andhra Pradesh Gram Panchayats Act 1964 and the Andhra Pradesh mandal Praja Parishads and Zilla Praja Parishads Act of 1987 with some amendments to these two Acts in the recent years. The Panchayats are expected to play a vital role in rural development in India, particularly after Independence. Plan documents of both the Central and State Governments and various committees have emphasized the importance of Gram Panchayats in the polity.

The Second Five Year Plan document had stressed the need for creating a well organized democratic structure of administration within the district in which the Gram Panchayats would be organically linked with popular organizations at a higher level and these popular bodies were to be entrusted with the functions of the entire general administration and development of the area. Gram Panchayats have to play a crucial role in achieving overall development of rural areas. The Gram Panchayats have many responsibilities on both civic and
developmental fields such as education, public health, water supply, communications, agriculture, minor irrigation, village and small scale industries and social welfare.

In this context the finances of Gram Panchayts assume a major importance. But the Gram Panchayats are endowed with inadequate tax powers and multiple functional responsibilities. Unless the Gram Panchayats have a command over larger financial resources they cannot perform satisfactorily than the developmental functions that are bestowed on them. There are many critical observations on the working of Panchayati Raj Institutions particularly the Gram Panchayats. It is stated that they are unduly dependent on Government and are not able to generate local resources. It is observed that they spend major portion of their revenue on establishment, leaving very little for developmental programmes.

On the other hand, there are representations from Gram Panchayats that their financial resources are meager. It is stated that the assistance to the Gram Panchayats from Governments, has not increased in proportion to their ever growing functional responsibilities over the decades in India. The Santhanam Committee having studied problem of Panchayati Raj finances observed “Although Panchayati Raj Institutions have their formidable list of functions to discharge they do not have necessary financial resources to cope with their functions.

Therefore, it is essential for the stability and growth of the Panchayati Raj Institutions that they should have substantial
financial resources with are entirely within their power to exploit and develop”. In the words of Venkat Raman “there is a need to maintain a balance between the expanding functions and the role entrusted to the local bodies and their financial resources. Ashok Mehta Committee report pointed out that the present Panchayati Raj system is not able to function effectively not only due to the poverty level in the village but also due to the size of the resource base. It is therefore argued that the Government should transfer considerable resources to the panchayats. Local finance has not received adequate attention to the extent that the subject rightly deserves.

Though the problem of state-local fiscal relations is as complex as that of central-state fiscal relations, local finance is apt to be neglected in a federation in view of the fact that in several federations, local authorities do not have any constitutional status, powers and privileges. It is stated that the state level fiscal adjustments are much more complex than the central-state fiscal adjustments. Unlike the Central Government which deals with a few State Governments, the State Governments have to deal with thousands of Local Governments which are of different composition and nature and whose revenue potential and expenditure are widely differ from one another. The powers and functions of the lower-tier of Panchayati Raj in India are differing from one State to another state.
1.2. Significance of the Finances of Gram Panchayats

Finance is the life of any organization. Creating an organization and giving wide powers and responsibilities without which lack of adequate financial resource. It is like 'dressing a dead woman'. As the Taxation Enquiry Commission (1953-54) put it, “apart from growth and development, the crux of the problem of Panchayati Raj Institutions is finance”. It is recognized that the success of local self-government bodies depends to a considerable extent on the financial resources available to them”. There is also a need to maintain a balance between the expanding functions and the role entrusted to the Panchayati Raj Institutions and their financial resources. “Local democracy had a natural growth.

The existence of these units is pending in both the hemispheres of the globe. A number of emerging governments have given particular thought and attention to strengthen the Panchayati Raj finance, so as to enable local authorities to play an important role in the national development. This part in the National Development, they had regarded it as essential. Efficient local governments are one of the most essential pre-requisite for economic development. In other words, Panchayati Raj Institutions are the engines of economic development.

Panchayati Raj Institutions are closer to the people than the state or central government. In Indian public finance, Panchayati Raj finance is relatively an almost unexplored field and it has not received adequate attention to the extent that the subject rightly deserves.
Though the problem of state-local fiscal relation which is complex as that of central-state fiscal relations, Panchayati Raj finance is apt to be neglected in a federation system in view of the fact that the Panchayati Raj Institutions have not been given constitutional status, powers and privileges. The Panchayati Raj finance determines both independence and dependence on the rural local authorities.

The independence of the tax powers and the elasticity of taxes of the Panchayati Raj bodies show the extent of their framework of activities, while the control exercised by the higher layer of governments over their financial functions which is the principal means of determining how far the local administration has passed into the receptive organization at the higher layer governments. There is a need to maintain a balance between the expanding functions and the role entrusted to the Panchayati Raj bodies and their financial resources. In India, Panchayati Raj Institutions are creatures of State Government and functioning within the exclusive sphere of the state list under the Indian constitution.

In the Indian Constitution, there is a precise line of demarcation between state and the Panchayati Raj functions have not been demarcated. It is a matter of historical evaluation and then is a considerable variation from state to state with regard to the tax powers and functional responsibilities that are reserved for Panchayati Raj Institutions. Nevertheless, Panchayati Raj Institutions are dependent on the extent of devolution that State Government
concerns to promote Panchayati Raj Institutions and to provide for rural local services in all states.

As a result, state local relationships tend to be constitutionally unitary in contrast with union-state relationships, which are mostly federal status. Local government teaches financial responsibilities. Local institutions official and workers not only to work for others but also to work effectively with others. The state-local fiscal adjustments are quite complex than the central – state fiscal adjustments. Unlike, the central government, which deals with a few state governments, the state governments have to deal with thousands of local authorities which one of several types and whose revenue potential and expenditure needs which widely differs from one another.

Here, they have a two-fold problem. First, they have to decide the functions, powers and resources, which they want to transfer to the Panchayati Raj bodies from their own list of functions and resources. Secondly, since these Panchayati Raj Institutions are one with diverse types, the resources, powers and functions, which a state government desires to transfer to the local sector which has to be distributed among the different types of Panchayati Raj bodies which is a stupendous task. Indeed, the type of resources kept at the disposal of the different local authorities, their elasticity and potentiality for growth and the manner in which they are devolved will all have an important bearing on the state-local fiscal relations that finally emerge.
Further, since it is the state government that is ultimately responsible for the efficient performance of functions assigned to it by the Constitution. It cannot allow inefficiency to creep in the performance of functions transferred by it to Panchayati Raj bodies. Hence, the State Government has to exercise greater control and supervision over the finances of Panchayati Raj Institutions. In general, the importance of the Panchayati Raj Institutions and of Panchayati Raj finance in particular needs no more emphasis on it. The case for Panchayati Raj Institutions rests on several political, social and economic grounds.

Panchayati Raj Institutions creates among the people a sense of their common interest in common affairs and their individual as well as common duty to take care that these affairs are efficiently and honestly administered. Localities-they are not simply areas and sites, but groups of men and women living together as neighbors feel that they, at any rate, differ from the abstract average of humanity legislated for by the Central Government, and claim discretion to enforce its uniform rules in a way more closely fitting than their real needs and their own ideas of themselves. They develop common sense, reasonableness, judgment and sociability. Those who have to bring their minds together learn the need for concession and compromise.

Thus it ensures the recognition of the worth of knowledge and tact in public affairs and that of judging men by performance rather than by professions or promises. The democratic spirit and political responsibility can be fostered by political associations of local
communities, which are self-governing rather than by social and occupational associations. Thus local self-government is a precondition for democracy. To quote Bryce “the best school of democracy and the best guarantee for its success is the practice of local self-government”. One of the responsibilities which local government is able to teach is financial responsibility.

If taxes are levied, they are tied to particular civic programmes, tax compliance can easily be ensured at local level. Panchayati Raj Institutions in developing countries like India can play an important role in the provision of social and economic overheads. These countries have to make rapid headway in the spheres of education, public health, communications water supply, etc., in order to keep pace with the march of world progressive race.

The Panchayati Raj Institutions have the foremost place in the execution of these services. Panchayati Raj Institutions have a useful role to play in the execution of the national plans. They are the best agents to execute certain kinds of projects in the development plan. If a major part of the whole plan consists of small and scattered works that benefit particular localities they can very well be undertaken by the Panchayati Raj bodies, with distinct advantages, small, minor local projects like roads, small irrigation works which have a less gestation lag can be executed by Panchayati Raj bodies. In the field of 'extension', Panchayati Raj Institutions can play a very useful role. Panchayati Raj bodies by pursuing a policy that conforms to the
success of the desired national fiscal objectives can contribute to the fiscal policy of the country.

Local taxation, can supplement the efforts of State and Central Governments in mopping up the surplus purchasing power generated by developmental planning and siphoning a portion of it into the coffers of the public authorities. Panchayati Raj Institutions can make a significant contribution to capital formation by mobilizing the idle local manpower, which cannot be easily reached directly by the higher strata of machinery government for the creation of labour-intensive capital assets.

1.3. Review of Literature

There have been a few studies on the Panchayati Raj Institutions covering different aspects like functions and powers, Mobilization of resources for developmental functions. The official and non-official relations and their role in the implementation of developmental programmes etc. A brief review of the important literature on such aspects attempted in the following pages would be most relevant and urgent.

There is one detailed study by B.C. Muttaiah on Panchayat taxes with particular reference to a few Gram Panchayats in Andhra Pradesh. It reveals the truth that these bodies are heavily depends on grants from the Government and the upper tiers of Panchayati Raj Institutions. But taxation is also conceived of as one of the resources
of revenue for Panchayati Raj bodies and this understanding, he concludes, may be one of the influencing factors in their tax payment.

The team for the study of community projects and national extension service appointed by the Government of India in 1957 under the chairmanship of Balwantrai Mehra, Local Finance Enquiry Committee headed by P.K. Wittal, appointed by the Government of India, 1951, the study team of Panchatati Raj Finances in 1963 headed by Santhanam made some innovative suggestions in the field of finances of Gram Panchayats. The other expert bodies constituted by the Government of India viz.,

The study team on Budgeting and Accounting Procedure of Panchayati Raj Institutions (1963), the study team on the Audit of Accounts of Panchati Raj Bodies (1965) made only a few suggestions in the field of Panchayati Raj finances but they have not made any comprehensive study of the finances of Gram Panchayats. The report of the committee on Panchayati Raj Institutions headed by Ashok Mehta in 1978 appointed by the Government of India also made constructive suggestions on structural, functional and administrative aspects but not attempted any comprehensive study of the finances of Gram Panchayats.

Numbers of Committees have gone into the working of Panchayati Raj Institutions in various States of India. The report of the Committee on Panchayati Raj bodies, Jalagam Vengala Rao as its convenor appointed by the Andhra Pradesh Congress Legislature Party
in 1968 game much importance to the political and administrative aspects of Panchayati Raj Institutions only.

The report of the High Power Committee on Panchayat Raj appointed by the Government of Andhra Pradesh in 1972 headed by C. Narasimham to make the study of the working of Panchayati Raj Institutions and to suggest measures to strengthen these democratic local institutions in the State has not examined the aspect of their finances in comprehensive manner. The committee has paid greater attention only to structural and administrative issues. The report of this committee did not give much weight to the financial aspects of Gram Panchayats in Andhra Pradesh.

The Local Finance Enquiry Committee (1951), the Taxation Enquiry Commission (1951-54), the Committee on the Augmentation of Financial Resources of Urban Local Bodies (1963) and the Rural Urban Relationship Committee (1966) etc., are some of the committees, which have devoted their attention and concentration on the finances of urban local authorities rather than rural local finances i.e., Panchayati Raj Institutions especially the Gram Panchayats.

Herman Finer (1950) in his work entitled English Local Government gives an important definition of the theory of local governments apart from the practical working of local Government in the United Kingdom.

One of the notable works on the finances of Local governments was of U.K. Hick's (1954) 'Development From Below'. She did a remarkable work on local governments and their finance in developing
Common Wealth Countries, viz, India, Ceylon, West Africa and East African countries. She remarks that financial management is of vital importance for the success of any government or institution. Hugh Tinker (1954) in his work entitled Local Self-Government in India, Pakistan and Burma debates the important administrative issues with historical interpretation.

John Stewart (1983) in his work Local Government argued that the Condition of Local Choice, argues that local authority can be described as political institutions capable of exercising significant choice at the levels of the locality. Pekka Seppal (1998), in his project report Tanzanian Local Administration -A Vehicle for Democratic Development, discussed various issues relating to local administration and finances of local administration and reforming the finances of the local governments. Basing on the study, he concluded that the local government should encourage villagers and businessmen to participate actively in village politics and administration.

E. Somanathan (2001) in his article entitled Empowering Local Government-Lessons from Europe gives a broad outlook of local-governments in the past and present in Britain, France, Germany, Italy, Spain and Scandinavia. He came out with a conclusion that political development in the sphere of local government may not succeed until economic growth has first taken place. He opined that the powers and roles of local government should be clearly defined and should be transparent; otherwise it leads to poor performance.
Neil Webster (1992), in his work, 'Panchayat Raj and the Decentralization of Development planning in West Bengal', examined the impact of Panchayati Raj programme for greater centralized planning and local Government in West Bengal.

A.K. Dubey and Sanjay Mitra's (1995) article entitled Planning and Finance for Panchayati Raj Institutions is a study on finances of rural local government institutions. In their study, they observed that Gram Panchayats are neither enjoying financial independence nor stability.

Ranjana Mikharji (1995) in his article 'Financial Management by Panchayats', analysed the budgeting, taxation and the audit of 1993-94 revenue and expenditures of Eureka Zilla Parishad of West Bengal State, he suggested that some changes in the present system and some hard decisions are necessary for the success of Panchayati Raj system. Enhancing Financial Autonomy of PRI's - Tasks before State Finance Commissions is a work of Noorjahan Bava (1996). In this article, the author pointed out various issues which need the attention of State Finance Commissions.

M.R.Biju's (1996) article entitled Financial Organisation of Panchayati Raj Institutions in Kerala is a study on revenue patterns of Panchayati Raj Institutions in Kerala State. He suggested that increasing of State Government grants, involvement of commercial banks in preparation of area plans, a multi-disciplinary technical planning cell should be set-up at district level which might solve the financial crunch.
Sohail Jawaid (1996) in his article Grass-roots Democracy and Financial Resources argued that strings of finance, which influence the entire role and functions of the Panchayats must be studied carefully. He concluded that the whole efforts to establish a well-knit administration to assist the Panchayats would become futile if the employees are not properly trained suiting to the work environment.

Participatory Planning is an article of S.N. Misra (1997), in which, he concluded that in every State at district level, a District Planning Committee shall be constituted to consolidate the plans prepared by the Gram Panchayats.


P.N. Sankaran’s (1997) article named ‘Panchayati Raj: Institutional Dimensions and Deficiencies’, in which, he mentioned that there are certain gaps in institutional development and concluded that the government, people’s organizations, NGO’s and political parties to sincerely rededicate themselves and contribute to a supportive institutional setting for the Panchayati Raj.

La. Su. Rangarajan (1997) in his article Gram Swaraj- A Gandhian Perspect discussed the latest developments in Panchayati Raj System in relation to Gandhian Perspective of Gram Swaraj. In his words, The 73 Constitutional Amendment places the Panchayats totally at the mercy of the State administration. It is possible for the
State Legislature to enact laws empowering the government to dissolve the Panchayats. The three tier Panchayati Raj Institutions are not clothed with any power of self-government in the real sense.


State-Local Fiscal Relations in India edited volume by Ajay Kumar Jain is an outcome of the National Conference on ‘Emerging Trends in Local Fiscal Relation in India’ held at the National Institute of Rural Development, Hyderabad on 18 and 19 December 1996.

M.A. Oommers, V. Gnaneswar etc., suggested various ways to improve the State Local Fiscal Relations. Authors of various articles in this book gave suggestions on local government finance. George Mathew (1999) in his article named Gram Sabha and Social Audit discussed various powers and functions assigned to Gram Sabha in various State Acts. He felt that the Gram Panchayats would be effective only if Gram Sabhas meet regularly with maximum participation of people.

The Relationship between Gram Sabha and Gram Panchayat (1999) is an article by M.S. John and Jos Chathukulam, in which, the authors opined that a workable relationship between Gram Sabha and Panchayat yet to emerge in most of the States. This is a difficult and long drawn out process. K.Subha and B.S.Bhargava’s (2000) paper
'Panchayats and N.G.Os. in Social Change', emphasized the role of Gram Panchayats in social change. While emphasising the importance of Non-Governmental Organisations, they expressed that there is an urgent need to appreciate the Non-Governmental Organisations in realizing the significance of democratic decentralization. A close understanding and co-ordination between the Panchayati Raj institutions and Non-Governmental Organisations is vital for development from below.

Gram Panchayats and Poverty Alleviation (2000) is a work of Sandeep Joshi. This work is a study on various aspects relating to the poverty alleviation programmes and role of Gram Panchayats in Ujjain and Jhabna Districts of Madhya Pradesh. The edited volume of George Mathew (2001) entitled Documenting Gram Panchayats is a comprehensive view of the status of Gram Panchayats in the States and Union Territories of India. He says that the implementation of the recommendations of 11 Finance Commission as well as other Finance Commissions would strengthen decentralized governance, planning and development in the years to come.

V. Annamalai's (2001) Research Report entitled Role of Gram Panchayats in Natural Resource Management is a study of two village Panchayats in Tamil Nadu. He observed that natural resource management will lead to rapid village development on one side and on the other it will improve the financial position of village Panchayats.

observed that there are two parallel bodies with legitimising sources continue to function in Maharashtra State following the 73 and 74 Amendments. In Maharasstra the Gram Sabha and the traditional village Gram Panchayats or collectives where the upper and richer caste men generally dominate.

Siva Subrahmanyam (1974) in his work 'Financing Panchayati Raj in Andhra Pradesh', referred to some selected local units in the State. The author suggests mainly “at the local level economic considerations do not appear to be a strict guide of revenue and expenditure decisions of the local authorities.” Overwhelming and personal influence results to imprudent economic considerations. The author suggested that the success of Panchayati Raj should depend primarily, if not exclusively, upon a reversal of this deplorable trend.

V. Sivalinga Prasad's work entitled 'Gram Panchayat and Development' (1981), is a study of organization and working of Gram Panchayats, based on the empirical work. In this work, he tries to bring light on the administrative aspects of the village Panchayats particularly referring to operational dynamics in achieving the objectives of rural development. The effective functioning of Gram Panchayats have always faced problem by the finances. The author concludes that the structure of Gram Panchayats becoming feeble because of insufficient powers and resources, untrained and incompetent staff, concentration of power in the hands of Sarpanch, ineffective linkage and channels of communication, improper supervision and guidance, insensitive bureaucracy and the improper
priorities. These indeed are the basic problems prevailed in the entire Panchayati Raj system in the country.

H.Satyam's (1994) article entitled 'Making Gram Panchayats Effective in Andhra Pradesh' is a study on various sources of Gram Panchayat revenues in Andhra Pradesh. He opined that socio-economic and financial development of India could be achieved only by strengthening the Gram Panchayats. C.P. Vittal (1995), in his article named 'The New Panchayati Raj Act in Andhra Pradesh: An Analysis', he observed that despite the demand for more decentralization of powers to the duly elected grass-roots level democratic institutions, the State has upsurges more powers under various provisions of the 1994 Act.

1.4. Significance of the Study

In view of the immense political changes, it is necessary to study the finances of Gram Panchayats, which have to play an increasingly important role in the democratic life of the country. The inadequacy of the financial resources of Gram Panchayats is at present the most serious obstacle to the progress of Gram Panchayats. The successful functioning of the Gram Panchayats, however, depends on adequate financial resources. Finances of Gram Panchayats in this context include how the Gram Panchayats raise their financial resources, levies taxes, pattern of expenditure, grants-in-aid and their functional responsibilities. As the Gram Panchayats are now saddled heavily with evergrowing functional responsibilities, the need to
mobilise more financial resources by the Gram Panchayats is greater than ever.

The Gram Panchayats are put on starvation diet. For instance, the taxes allocated to Gram Panchayats are few and less elastic. Moreover, the State Government placed many restrictions on the financial powers of Gram Panchayats. The general problem of Gram Panchayats have been one of widening gap between inelastic and limited financial resources and their ever growing functional responsibilities.

The functions of a Gram Panchayat mainly include maintenance of internal village roads, supply of drinking water, sanitation and public health, keeping records of births and deaths, establishment of the centres for social and child welfare, propagation of family planning, promotion of agriculture and animal husbandry, construction of public buildings, provisions of libraries, reading rooms and community centres, promotion of cottage industries, establishment of co-operative societies, organisation of collective farming, hearing and settling minor disputes etc. With these numerous functions to perform their duties effectively the Gram Panchayats are facing the shortage of finance. In this context, the finances of Gram Panchayats assume major importance.

Investigation into the finances of Gram Panchayats is very much needed in this context, because Panchayati Raj is a novel experiment in the history of rural reconstruction in India. A thorough investigation into the political and administrative aspects of
Panchayati Raj Institutions has received greater attention in the hands of academicians and Governments. But financial aspects of Gram Panchayats have not received adequate attention of the academicians and Governments. There are no systematic studies on the nature and structure of financial resources of Panchayati Raj Institutions although the problem of shortage of finances to these bodies was highlighted in some studies. An attempt is made here to conduct a comprehensive study in the area of the finances of these bodies with special reference to Gram Panchayats in Andhra Pradesh.

In the light of the paucity of studies pertaining to the financial resources of Gram Panchayats in Andhra Pradesh and the inadequate attention paid by the recent committees appointed by the State Government to make a detailed study of the finances of Gram Panchayats, the need for the present study is both relevant and urgent. An attempt is, therefore, made in this study to go into the details of various financial resources of Gram Panchayats so as to give a greater coverage to the finances of Gram Panchayats in Anantapur district of Andhra Pradesh.

1.5. Scope of the Study

The present study attempts a detailed enquiry into the various financial resources of Gram Panchayats in Anantapur district in Rayalaseema region of Andhra Pradesh over a period of ten years i.e., 2000-01 to 2009-10. The emphasis of the present study is on the various financial resources of Gram Panchayats.
1.6. Objectives of the Study

The main objectives of the study are:

- to understand and analyse the sources of finances of Gram Panchayats,
- to examine the extent of tax collection in the selected Gram Panchayats;
- to review the non-tax revenues of selected Gram Panchayats,
- to analyse the trends in the assigned revenues of the Gram Panchayats in the study area,
- to understand the release of grants-in-aid receipts to the Gram Panchayats,
- to suggest the possible lines to improve the financial resources of Gram Panchayats, by bringing suitable modifications.

1.7. Methodology and Sampling Design

In view of large number of Gram Panchayats in the State and their wide geographical dispersal, the area of the study is confined to a certain geographical periphery. Anantapur district of Rayalaseema region has been selected for the study. Multi stage stratified random sampling method has been adopted in the study. In the first stage Anantapur district of Rayalaseema region in Andhra Pradesh has been selected. In the second stage revenue divisions have been and in the third stage Gram Panchayats have been selected on the basis of random sampling method. From each revenue division 3 GramPanchayats, have been taken based on the availability of
secondary data Altogether nine Gram Panchayats have been selected from the three revenue divisions of Anantapur district. This altogether covers a sample of nine Gram Panchayats on the basis of random sampling method. The list of Gram Panchayats selected for the study is as follows.

Table 1.1 : Sampling Gram Panchayats in Anantapur District

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<th>S.No.</th>
<th>Revenue Division</th>
<th>Gram Panchayat</th>
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<td>1.</td>
<td>Anantapur</td>
<td>Pamidi</td>
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<td>Kuderu</td>
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<td>3.</td>
<td>Brahmana Palli</td>
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<td>4.</td>
<td>Dharmavaram</td>
<td>Thammapuram</td>
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<td>E.Musturu</td>
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<td>8.</td>
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<td>Mudigubba</td>
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<td>9.</td>
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<td>Uppalapadu</td>
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1.8. Data Base

Relevant information has been collected from the Sarpanches, Executive Officers of the related Gram Panchayats and the members of the Gram Panchayat. Secondary data has been gathered from several published reports and audit and administrative reports of Gram Panchayats to the extent of their availability. However, the various statutes and Government orders which govern local bodies in the State will be extensively used in this study. For the purpose of the analysis of the data, index numbers, trend values, simple percentages, pie-diagrams and bar diagrams have been used wherever necessary.
1.9. Plan of the Study

First Chapter covers the significance of the finances of Gram Panchayats, the importance of the study, review of literature, objectives and methodology and the study. The second Chapter explains the origin and structure of Gram Panchayats in India and Andhra Pradesh. The third Chapter analyses the tax revenues of selected Gram Panchayats in Anantapur district.

The fourth Chapter devotes to explain the trends in the non-tax revenues of selected Gram Panchayats. The fifth Chapter presents the sources of assigned revenues of the sample gram panchayts. The sixth Chapter examines the trends in the mobilization of grants-in-aid receipts of selected Gram Panchayats in Anantapur district of A.P.

The seventh Chapter is entirely devoted for summary of findings and to suggest the possible measures to improve the financial resources of Gram Panchayats to meet their increased functional expenditure.
1.10. References


15. Govt. of India (1962) and (1965), Reserve Bank of India Bulletin, November.


